Interface Between CCG and Area Managers

Date of Update: 21/03/12

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<th>Date of Initial Issue</th>
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PSI Amendments should be read before and in conjunction with PSO

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INTRODUCTION FROM THE DIRECTOR OF FINANCE & PROCUREMENT

1. This PSO updates and replaces Advice to Governors 21/1995 about the respective roles of Contracts and Competition Group (CCG) and Area Managers in respect of contractually managed prisons. AG 21/1995 expired in April 1999.

Output

2. This PSO explains the respective roles of Area Managers and CCG in respect of privately managed prisons to prevent contradictory actions. It also indicates when a PSO or PSI should not be addressed to the Director of a privately managed prison.

Implementation
3. This PSO comes into effect on 31/7/2000.

**Impact and Resource Assessment**

4. The structure to implement this PSO is in place.

**Mandatory Action**

5. The procedures contained in this PSO are mandatory - there is no discretion for either Area Managers or CCG to depart from the contents of this PSO nor for the non-issue of specified types of PSOs or PSIs to the Director of a privately managed prison.

**Audit and Monitoring**

6. Area Managers and CCG will self-audit the procedures set out in this PSO, both with regard to procedures and to the issue of PSOs and PSIs.

**Contact Point**

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**NOTE FOR ESTABLISHMENT LIAISON OFFICERS**

ELOs must record the receipt of the Prison Service Order - Interface Between CCG and Area Managers in their registers as issue 98 as set out below. The PSO must be placed with those sets of orders mandatorily required in Chapter 4 of PSO 0001.

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Julian Le Vay  
Director of Finance & Procurement
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Introduction

1.1. The crucial distinction between the roles of CCG and Area Managers regarding contractually managed prisons is that CCG manages the contract whereas Area Managers are responsible for monitoring operational matters at the prisons and their integration into the operation of the prison estate as a whole. Controllers at privately managed prisons are pivotal in that their function is to report to their line manager, the Area Manager, in respect of their disciplinary and monitoring duties but also to advise CCG on the contractual implications of how the prison is operating.

1.2. The Compliance Monitor at a directly managed prison is in an analogous position to the Controller in that the Monitor reports to the Area Manager on operations but advises CCG in respect of Service Level Agreement (SLA) issues. The Monitor does not, however, have disciplinary duties which are carried out by the Governor.

New prisons

2.1 The Contract Management Board, chaired by the Head of CCG, is a large Service wide forum including the Area Manager which allows for consultation between the contractual and operational arms of the Service on issues affecting delivery of the custodial service prior to the opening of a new prison. After the prison has opened, the project is passed to Area command and CCG contract management. The Contract Management Board is replaced by a Contract Management Group which is chaired by the Area Manager and includes the Head of CCG or the Head of CCG’s Contracts Section and the respective contract manager.

Market testing

3.1. CCG is responsible for market testing the management of prisons and functional market testing at directly managed prisons. The Area Manager of a prison being market tested is usually a member of the Evaluation Panel for the competition.

Contract/SDA management

4.1. CCG is responsible for contract/SLA compliance, advised by the Controller/Compliance Monitor, and for the contractual/SLA remedies such as financial penalties incurred through the performance measurement system and for amendments to contracts. Regular contract/SLA management meetings are held between the operator and the Prison Service in respect of the operation of each prison. They are chaired by the Area Manager.

4.2 Area Managers or policy group heads should consider the impact of any proposed operational change on privately managed prisons and contact CCG in respect of any possible consequential amendments to contracts. If the change entails a price increase, the Area Manager will need to identify that there are sufficient funds available for the purpose.

Controller and staff
5.1. In consultation with the Area Manager CCG appoints the Controller of a newly opened prison some time before its opening, preferably at least 9 months. CCG line manages the Controller until the end of the first financial year of operation. The Area Manager is responsible for the Controller in the second year of operation onwards, for a replacement and for the recruitment of the Deputy Controller and support staff. All matters arising from the employment of the Controller and his staff are dealt with by the Area Office.

Casework

6.1. The Area Manager is responsible from the award of contract for all casework covering operational matters, including PQs and Minister’s cases. CCG deals with casework specifically about contracts and SLAs and about contractors as private companies.

Finance

7.1. The financing of new prisons, including payments to contractors and the controller’s pay, rests with CCG until the end of the first financial year in which the prison opened. Thereafter the budget is passed to the operational line management who use a model spreadsheet devised and maintained by CCG. CCG is responsible for calculating and imposing any financial penalty incurred by a contractor. The Deputy Controller and other staff are not paid for by CCG regardless of when they are appointed.

Area Performance Co-ordinators

8.1 Area Performance Co-ordinators (APCs) will visit contracted out prisons on behalf of the Area Manager to ensure that appropriate systems are in place to implement applicable standards, including the Audit Compliance and Self Audit Standard. The Controller will be the main point of contact for the APC.

Derogation

9.1 Any operational derogation that the Area Manager thinks is appropriate should be mirrored by a similar contractual derogation if the relevant activity is covered by a performance measure.

Management of serious incidents

10.1 A separate PSO is to be issued on the subject of the interface between private sector prisons and Area Managers in the event of a serious incident.

SLAs and the Compliance Monitor

11.1 An SLA is an agreement between CCG and the Governor of the prison. The SLA Compliance Monitor has analogous duties to those of the Controller in terms of monitoring the management’s compliance with the SLA. The Governor not the Compliance Monitor, carries out disciplinary duties. Compliance Monitors report to their Area Manager and are appointed with their staff in the same way as Controllers. CCG is responsible for the operation of the SLA. The new Buckley Hall
SLA, unlike the current one for Manchester, contains performance measures, analogous to those contained within contracts with the private sector, against which deductions from the management’s budget can be made. CCG is responsible for operating this system.
Training

12.1 CCG is responsible for the training of Controllers and Compliance Monitors and their deputies. CCG has produced a Manual and runs courses for the purpose.

PSOs and PSIs

13.1 Most operational PSOs and PSIs should be addressed to the Controller and the Director of a contractually managed prison as they together are equivalent to the Governor of a directly managed prison. There are however some occasions, e.g. promotion board results and other personnel matters, where the substance of the PSO or PSI is of relevance only to the Prison Service itself in which case the relevant PSO/PSI should be sent to the Controller only and not the Director. This distinction does not arise in respect of directly managed prisons.